

# Senate File 448 - Introduced

SENATE FILE \_\_\_\_\_  
BY ZAUN

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act providing a property assessment adjustment for certain  
2 persons who have attained the age of sixty-five, providing a  
3 penalty, and including retroactive applicability date  
4 provisions.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
6 TLSB 2628XS 83  
7 md/sc/5

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1 1 Section 1. NEW SECTION. 425B.1 HOMESTEAD ASSESSED VALUE  
1 2 ADJUSTMENT == PURPOSE.  
1 3 Persons who own their homesteads and who meet the  
1 4 qualifications provided in this chapter are eligible for an  
1 5 adjustment in the assessed value of their homesteads, as  
1 6 provided in this chapter, to prevent an increase in such  
1 7 values.  
1 8 Sec. 2. NEW SECTION. 425B.2 DEFINITIONS.  
1 9 As used in this chapter, unless the context otherwise  
1 10 requires:  
1 11 1. "Assessed value" means the actual value prior to any  
1 12 adjustment pursuant to section 441.21, subsection 4.  
1 13 2. "Base assessment year" means the assessment year  
1 14 beginning in the base year.  
1 15 3. "Base year" means the calendar year last ending before  
1 16 the claim is filed.  
1 17 4. "Claimant" means a person filing a claim for adjustment  
1 18 under this chapter who has attained the age of sixty-five  
1 19 years on or before December 31 of the base year and is  
1 20 domiciled in this state at the time the claim is filed or at  
1 21 the time of the person's death in the case of a claim filed by  
1 22 the executor or administrator of the claimant's estate.  
1 23 5. "Homestead" means the dwelling owned and actually used  
1 24 as a home by the claimant during any part of the fiscal year  
1 25 beginning July 1 of the base year, and so much of the land  
1 26 surrounding it including one or more contiguous lots or tracts  
1 27 of land, as is reasonably necessary for use of the dwelling as  
1 28 a home, and may consist of a part of a multidwelling or  
1 29 multipurpose building and a part of the land upon which it is  
1 30 built. It does not include personal property except that a  
1 31 manufactured or mobile home may be a homestead. Any dwelling  
1 32 or a part of a multidwelling or multipurpose building which is  
1 33 exempt from taxation does not qualify as a homestead under  
1 34 this chapter. A homestead must be located in this state.  
1 35 When a person is confined in a nursing home, extended-care  
2 1 facility, or hospital, the person shall be considered as  
2 2 occupying or living in the person's homestead if the person is  
2 3 the owner of the homestead and the person maintains the  
2 4 homestead and does not lease, rent, or otherwise receive  
2 5 profits from other persons for the use of the homestead.  
2 6 6. "Owned" means owned by an owner as defined in section  
2 7 425.11.  
2 8 Sec. 3. NEW SECTION. 425B.3 RIGHT TO FILE A CLAIM.  
2 9 The right to file a claim for an assessed value adjustment  
2 10 under this chapter may be exercised by the claimant or on  
2 11 behalf of a claimant by the claimant's legal guardian, spouse,  
2 12 or attorney, or by the executor or administrator of the  
2 13 claimant's estate. If a claimant dies after having filed a  
2 14 claim for adjustment, the amount of any adjustment shall be  
2 15 made as if the claimant had not died.  
2 16 Sec. 4. NEW SECTION. 425B.4 CLAIM FOR ADJUSTMENT.

2 17 1. Subject to the limitations provided in this chapter, a  
2 18 claimant may annually claim an adjustment of the assessed  
2 19 value of the claimant's homestead for the base assessment  
2 20 year. The adjustment claim shall be filed with the county  
2 21 assessor between January 1 and February 15 immediately  
2 22 following the close of the base assessment year. However, in  
2 23 case of sickness, absence, or other disability of the  
2 24 claimant, or if in the judgment of the county assessor good  
2 25 cause exists, the county assessor may extend the time for  
2 26 filing a claim for adjustment through June 30 of the same  
2 27 calendar year.

2 28 2. The county assessor shall notify the department of  
2 29 revenue by March 1 of the number of claimants receiving  
2 30 adjustments under this chapter and the total amount of the  
2 31 reduced assessed values for the base assessment year.

2 32 Sec. 5. NEW SECTION. 425B.5 ADJUSTMENT == MAXIMUM TAX  
2 33 DOLLARS LEVIED.

2 34 The assessed value of the claimant's homestead in the base  
2 35 assessment year shall be adjusted, but not increased, to equal  
3 1 the assessed value, as such assessed value may have been  
3 2 adjusted pursuant to this chapter, in the assessment year  
3 3 preceding the base assessment year. If the amount of property  
3 4 taxes levied against the adjusted assessment exceed the amount  
3 5 of property taxes levied against the property in the fiscal  
3 6 year for which taxes were first levied against an adjusted  
3 7 assessment under this chapter, the treasurer shall subtract  
3 8 the difference from the amount due.

3 9 Sec. 6. NEW SECTION. 425B.6 ADMINISTRATION.

3 10 The director of revenue shall make available suitable forms  
3 11 for claiming an assessed value adjustment with instructions  
3 12 for claimants. Each assessor and county treasurer shall make  
3 13 available the forms and instructions. The claim shall be in a  
3 14 form as the director may prescribe.

3 15 Sec. 7. NEW SECTION. 425B.7 PROOF OF CLAIM.

3 16 1. Every claimant shall give the department of revenue, in  
3 17 support of the claim, reasonable proof of:

- 3 18 a. Age.
- 3 19 b. Changes of homestead.
- 3 20 c. Size and nature of the property claimed as the  
3 21 homestead.

3 22 2. The director of revenue may require any additional  
3 23 proof necessary to support a claim.

3 24 Sec. 8. NEW SECTION. 425B.8 AUDIT == DENIAL.

3 25 If on the audit of a claim for adjustment under this  
3 26 chapter, the director of revenue determines the claim is not  
3 27 allowable, the director shall notify the claimant of the  
3 28 denial and the reasons for it. The director shall not deny a  
3 29 claim after three years from October 31 of the year in which  
3 30 the claim was filed. The director shall give notification to  
3 31 the county assessor of the denial of the claim and the county  
3 32 assessor shall instruct the county treasurer to proceed to  
3 33 collect the tax that would have been levied on the applicable  
3 34 adjusted assessed value in the same manner as other property  
3 35 taxes due and payable are collected, if the property on which  
4 1 the adjustment was granted is still owned by the claimant.

4 2 Sec. 9. NEW SECTION. 425B.9 WAIVER OF CONFIDENTIALITY.

4 3 1. A claimant shall expressly waive any right to  
4 4 confidentiality relating to all information available to the  
4 5 county assessor who shall hold the information confidential  
4 6 except that it may be used as evidence to disallow the  
4 7 assessed value adjustment.

4 8 2. The department of revenue may release information  
4 9 pertaining to a person's eligibility or claim for or receipt  
4 10 of the assessed value adjustment to an employee of the  
4 11 department of inspections and appeals in the employee's  
4 12 official conduct of an audit or investigation.

4 13 Sec. 10. NEW SECTION. 425B.10 FALSE CLAIM == PENALTY.

4 14 A person who makes a false affidavit for the purpose of  
4 15 obtaining an adjustment in assessed value provided for in this  
4 16 chapter or who knowingly receives the adjustment without being  
4 17 legally entitled to it or makes claim for the adjustment in  
4 18 more than one county in the state without being legally  
4 19 entitled to it is guilty of a fraudulent practice. The claim  
4 20 for adjustment shall be disallowed in full and property tax  
4 21 shall be levied on the disallowed adjustment at the rate that  
4 22 would have been levied but for the adjustment. The director  
4 23 of revenue shall send a notice of disallowance of the claim.

4 24 Sec. 11. NEW SECTION. 425B.11 STATUTES APPLICABLE.

4 25 To the extent not otherwise contrary, the provisions of  
4 26 sections 425.30, 425.31, 425.32, and 425.37 apply to this  
4 27 chapter.

4 28       Sec. 12. STATE FUNDING OF TAX CREDITS AND EXEMPTIONS ==  
4 29 INAPPLICABILITY. The provisions in section 25B.7, relating to  
4 30 the obligation of the state to reimburse local jurisdictions  
4 31 for property tax credits and exemptions, do not apply to  
4 32 chapter 425B, as enacted in this Act.  
4 33       Sec. 13. APPLICABILITY DATES. This Act applies  
4 34 retroactively to January 1, 2009, for assessment years  
4 35 beginning on or after that date and to the filing of claims on  
5 1 or after January 1, 2010, for adjustments of assessed values.  
5 2                               EXPLANATION  
5 3       This bill provides for an adjustment (freeze) in the  
5 4 assessed value of a homestead if the owner is a person who is  
5 5 65 or older. The assessed value of the homestead upon which  
5 6 property taxes are levied in a fiscal year is the same  
5 7 assessed value as for the previous fiscal year. Assessed  
5 8 value is that value prior to any rollback being applied.  
5 9       The bill provides that a person who makes a false affidavit  
5 10 for the purpose of obtaining an adjustment, knowingly receives  
5 11 the adjustment without being legally entitled to it, or makes  
5 12 claim for the adjustment in more than one county without being  
5 13 legally entitled to it is guilty of a fraudulent practice and  
5 14 is subject to a criminal penalty.  
5 15       The bill provides that the provision in Code section 25B.7  
5 16 that requires the state to fund reimbursement for property tax  
5 17 credits and exemptions does not apply to the adjustment in  
5 18 value provided for in the bill.  
5 19       The bill applies retroactively to January 1, 2009, for  
5 20 assessment years beginning on or after that date and applies  
5 21 to claims filed on or after January 1, 2010, for the  
5 22 adjustments.  
5 23 LSB 2628XS 83  
5 24 md/sc/5